

Helpful Hints to Preparing an Economic Feasibility Study (EFS)

Below are some helpful hints to consider when preparing a quality EFS:

1. Do not wait until you have a “final” application to contact OFM. Contact your assigned OFM Accounting Consultant and the OFM E-Government Accounting Consultant early and often in the process. Send them drafts of your application.
2. Do not wait until you have a “final” application to contact the Office of the State Treasurer (OST) Outreach Coordinator (credit cards) or the OST Automated Clearing House (ACH) Program Coordinator. Contact them early and often in the process. Send them drafts of your application.
3. Be sure to review the *State Administrative and Accounting Manual* (SAAM) Chapters 40, 45 and 65 and the Administrative and Accounting Resources site.
4. Talk with other agencies or others in your agency that have been through the process and review their studies.
5. Carefully follow the process from beginning to end to insure that you have captured all the elements of this new or revised business practice.
6. Think about the goal of the proposed payment method. What is the intended result? What are the benefits and to whom?
7. Use your written document to tell a story. Explain what your project is and what service it will provide early in the document. Be clear on your assumptions and be ready to answer questions on them. Review SAAM 40.40.30.
8. Make sure that you have provided enough explanation and detail on the assumptions, costs, savings, benefits, etc. so that someone could recreate your analytical worksheets from the information provided.
9. Use formulas in your spreadsheet, where possible, instead of values. Use the spreadsheet as a “what-if” tool to test different assumptions.
10. Remember to include the development costs and the maintenance and training costs. Think about non-sufficient funds (NSF) savings for the agency.
11. Try to quantify some customer savings even if they seem small. Remember to consider postage savings, time saved, miles saved and avoided NSF check costs.
12. Be sure to check the formulas in your spreadsheet. Foot and crossfoot the rows and columns to verify the totals.
13. Review the written documents and the spreadsheets to ensure that they are consistent with one another. Make sure that the assumptions and numerical information in the business case agrees with the same items in the analytical worksheets.